

Exhibit C

(Personalized Notice)

October 21, 2011

**NOTICE OF MOTION AND SETTLEMENT
AGREEMENT REGARDING LEHMAN HEALTH CARE TRUST**

Please be advised that Lehman Brothers Holdings Inc. ("LBHI") and James W. Giddens (the "SIPA Trustee"), Trustee for the SIPA Liquidation of Lehman Brothers Inc. ("LBI") under the Securities Investor Protection Act of 1970, as amended ("SIPA") (the SIPA Trustee, together with LBHI, the "Parties") have reached an agreement and settlement (the "Settlement Agreement") regarding the Lehman Health Care Trust established under section 501(c)(9) of the Internal Revenue Code of 1986, otherwise known as a voluntary employees' beneficiary association (the "VEBA").

Commencing on September 15, 2008, and periodically thereafter, LBHI and certain of its subsidiaries (the "Debtors") commenced with this Court voluntary cases under chapter 11 of title 11 of the United States Code. The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On September 19, 2008, the Honorable Gerard E. Lynch, Judge of the United States District Court for the Southern District of New York, entered an order commencing liquidation with respect to LBI pursuant to the provisions of SIPA in the case captioned *Securities Investor Protection Corporation v. Lehman Brothers Inc.*, Case No. 08-CIV-8119 (GEL) and appointed the SIPA Trustee for the SIPA liquidation of the business of LBI pursuant to SIPA § 78eee(b)(3).

In September 2008, the VEBA was established and funded with a \$95 million contribution to fund the payment of eligible health and medical benefits (the "Benefits") to participants in the group health plan sponsored by LBHI (the "Group Benefits Plan"). Effective January 1, 2010, LBHI terminated the Group Benefits Plan as to retirees and arranged for Aetna Life Insurance Company to offer to these individuals, at their option, substitute health care insurance coverage through a Group Access-only Plan (the "Aetna Plan") and converted disabled employees to COBRA continuation under the Group Benefits Plan as former employees, in each case at their sole cost. The Aetna Plan is not an employee benefit plan of LBHI, and LBHI has no responsibility, obligation or liability under such insurance arrangement. Since January 2010, the VEBA has been reimbursing retirees for their premiums under the Aetna Plan and former disabled employees for the COBRA premiums under the Group Benefits Plan by directly paying such premiums on their behalf. The VEBA has been amended to permit such reimbursements to be made, but there is no obligation to continue such reimbursements. Approximately \$37 million in funds remain in the VEBA. The Parties have agreed to transfer control of the VEBA to LBHI, and the Parties have agreed to release each other from certain claims.

LBHI intends to seek a reimbursement for eligible Benefits LBHI paid on behalf of retirees, former employees on long term disability and current employees beginning in April 2009, in the amount of approximately \$25 million. Such amount will be set aside for LBHI and will not be used to fund insurance premiums under the Group Access-only Program for retirees or the Group Benefits Plan for former employees on long term disability. LBHI intends to use the remaining VEBA funds exceeding the set aside amount (the "Excess Funds") to continue to

fund insurance premiums of retirees under the Aetna Plan and former employees on long term disability under the Group Benefits Plan, and will simultaneously pay covered Benefits for the Debtors' current employees and any costs of administration of the VEBA, until the Excess Funds have been exhausted or Aetna discontinues the Group Access-only Program or the COBRA continuation period for former employees on long term disability expires. LBHI and LBI will not make, nor are they obligated to make, any future contributions to the VEBA.

Although the VEBA is expected to continue to pay insurance premiums under the Aetna Plan on behalf of retirees and the Group Benefits Plan for former employees on long term disability, no payments will be made on behalf of such individuals after the VEBA funds have been exhausted or Aetna discontinues the Aetna Plan or the COBRA continuation period for former employees on long term disability expires. LBHI and LBI will not make any contributions to the VEBA and LBHI is not reinstating the Group Benefits Plan or undertaking any obligation to fund retiree and long term disability Benefits. Such costs remain the sole obligation of the individuals.

On October 21, 2011, the Parties filed a joint motion (the "Motion") seeking approval of the Settlement Agreement. A hearing (the "Hearing") will be held before the Honorable James M. Peck, United States Bankruptcy Judge, at the United States Bankruptcy Court, Alexander Hamilton Customs House, Courtroom 601, One Bowling Green, New York, New York 10004 on **November 16, 2011 at 10:00 a.m. (Prevailing Eastern Time)** to consider approval of the Motion and the Settlement Agreement.

If you choose to object to the Motion and the Settlement Agreement, you must file a written objection, with proof of service, with the Clerk of the Court and mail courtesy copies to: (i) the chambers of the Honorable James M. Peck, One Bowling Green, New York, New York 10004, Courtroom 610; (ii) attorneys for the Debtors, Weil, Gotshal & Manges LLP, 767 Fifth Ave., New York, New York 10153, Attn: Richard P. Krasnow, Esq., and (iii) attorneys for the SIPA Trustee, Hughes Hubbard & Reed LLP, One Battery Park Plaza, New York, New York 10004, Attn: Jeffrey S. Margolin, Esq., so as to be received by no later than **November 9, 2011 at 4:00 p.m. (Prevailing Eastern Time)**.

If you do not object to the approval of the Motion and the Settlement Agreement, you do not need to attend the Hearing. Your failure to respond will be deemed to be a no-objection to the Motion and the Settlement Agreement. You may wish to consult legal counsel to the extent you deem appropriate.

If you would like to obtain complete copies of the Motion and/or the Settlement Agreement and its related documents, please visit www.lehman-docket.com for free access to such documents. Hard copies of these documents can also be requested from the Lehman Legal Hotline at lehmanteam@weil.com or 212-310-8040.